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TRIBAL TRUST LAND HOMEOWNERSHIP ACT OF 2025

SEPTEMBER 3, 2025.—Ordered to be printed

Ms. MURKOWSKI, from the Committee on Indian Affairs,
submitted the following

R E P O R T

[To accompany S. 723]

[Including cost estimate of the Congressional Budget Office]

The Committee on Indian Affairs, to which was referred the bill (S. 723) to require the Bureau of Indian Affairs to process and complete all mortgage packages associated with residential and business mortgages on Indian land by certain deadlines, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of S. 723 is to address delays in the Bureau of Indian Affairs (BIA)'s processing of mortgage packages associated with residential and business mortgages by establishing statutory deadlines to process and complete all mortgage packages associated with residential and business mortgages on trust and restricted land (Indian lands) owned by a Tribe or an individual Indian, and to establish a realty ombudsman within the BIA to adjudicate the delays in the processing of BIA realty filings.

BACKGROUND AND NEED

The BIA reviews and processes all leasehold and trust land mortgages on Indian lands. These unique mortgages for Indian lands, which often provide low down payments and flexible underwriting requirements to encourage homeownership, are typically issued by Community Development Financial Institutions (CDFIs), conventional lenders, and federal government agencies such as the Department of Housing and Urban Development (HUD), the Depart-

ment of Agriculture (USDA), and the Department of Veterans Affairs (VA).

After receiving a complete application for a leasehold mortgage, BIA is required by regulation to approve or disapprove it within 20 days.¹ In 2023, the Government Accountability Office (GAO) reported in fiscal years 2021 and 2022, roughly one-quarter of the applications for certain types of mortgages did not meet BIA’s regulatory deadline.²

Delays in the BIA processing and certifying mortgages disincentivizes lenders and reduces homeownership opportunities on Indian lands.³ Addressing these delays would help alleviate housing shortages, support trust and restricted land development, and expand fair access to capital across Indian Country.

SUMMARY

S. 723 would: (1) codify the current BIA mortgage handbook deadlines for reviewing and processing residential and business leasehold mortgages, land mortgages, and rights-of-way; (2) provide HUD, USDA, the VA, and Tribes “read-only” access to the BIA’s Trust Asset and Accounting Management System (TAAMS) from portals containing the relevant land documents; (3) require the BIA to submit an annual report to Congress including the number of mortgage approvals requested and processed; (4) direct the GAO to evaluate and report on how digitizing mortgage packages may streamline the approval process; and (5) establish a realty ombudsman within the BIA to adjudicate delays in the processing of BIA realty filings.

LEGISLATIVE HISTORY

S. 723 was introduced by Senators Thune and Smith on February 25, 2025, with Senator Rounds as an original cosponsor.

In the 118th Congress, a similar bill, S. 70, was introduced by Senators Thune and Smith on January 25, 2023, with Senators Rounds and Tester as original cosponsors. Senators Lummis and Luján were later added as cosponsors. The Committee held a business meeting to consider S. 70 on February 15, 2023, and ordered the bill reported without amendment favorably (S. Rept. 118–33). S. 70 passed the Senate without amendment by unanimous consent on July 20, 2023.⁴

In the 117th Congress, an identical bill to S. 70, S. 3381 was introduced by Senators Thune and Smith on December 14, 2021, with Senators Rounds, Tester, and Lummis as original cosponsors. The Committee held a hearing on S. 3381 on February 16, 2022 (S. Hrg. 117–518). On May 18, 2022, the Committee held a business meeting and ordered the bill to be reported favorably without amendment (S. Rept. 117–232).

¹25 C.F.R. §§ 162.359(a), 162.459(a).

²U.S. Gov’t Accountability Off., GAO–24–105875, Tribal Issues: Bureau of Indian Affairs Should Take Additional Steps to Improve Timely Delivery of Real Estate Services (2023), <https://www.gao.gov/products/gao-24-105875>.

³U.S. Gov’t Accountability Off., GAO–24–105875, Tribal Housing: HUD and BIA Could Better Support Tribal Efforts to Increase Homeownership (2024), <https://www.gao.gov/assets/gao-24-105875.pdf>.

COMMITTEE RECOMMENDATION

The Senate Committee on Indian Affairs in an open business meeting on March 5, 2025, by a majority voice vote of a quorum present, recommends that the Senate pass S. 723, without amendment.

SECTION-BY-SECTION ANALYSIS

Section 1—Short title

This section sets forth the short title as the “Tribal Trust Land Homeownership Act of 2025.”

Section 2—Definitions

Section 2 clarifies terms used in the bill, including among others, “First Certified Title Status Report,” “Indian Land,” “Mortgage Package,” “Right-of-Way Document,” and “Subsequent Certified Title Status Report.”

Section 3—Mortgage review and processing

Section 3(a) establishes deadlines and requirements for the BIA to notify lenders and reviewing, approving, and certifying residential and business leasehold mortgages, land mortgages, and rights-of-way documents:

- Preliminary review—10 calendar days after receipt
- Incomplete documents—two calendar days after discovery of missing documents
- Approval or disapproval of a complete application
 - Leasehold mortgages—20 calendar days after receipt
 - Rights-of-way—30 calendar days after receipt
 - Land mortgages—30 calendar days after receipt
- Certified title status reports—10 calendar days after application approval or 14 calendar days after receipt of applicant request

This section also clarifies these requirements do not apply to residential or business leasehold mortgages on Indian land if the applicant is an Indian Tribe approved for leasing under section 415(h) of the Long-Term Leasing Act of 1955.

Section 3(b) requires the BIA to immediately notify the applicant and lender if the agency fails to meet its deadline under section 3(a). This section further requires the BIA to respond to a mortgage package inquiry from a lender or party that submitted the package within two calendar days.

Section 3(c) establishes rules for delivery of first and subsequent certified title status reports.

Section 3(d) provides relevant federal agencies and Tribes read-only access to portals containing the relevant land documents from the Trust Asset and Accounting Management System (TAAMS) maintained by the BIA.

Section 3(e) directs the Director of the BIA to submit an annual report to the Senate Committee on Indian Affairs and the House of Representatives, Committee on Natural Resources, providing data on the processing time and number of residential and business leasehold packages and right-of-way document packages it received in the most recent calendar year, among other relevant information.

Section 3(f) directs the Comptroller General of the United States to submit a report, not later than a year after enactment, evaluating the cost and need to digitize Tribal realty documents to the Senate Committee on Indian Affairs and the House of Representatives, Committee on Natural Resources.

Section 4—Establishment of Realty Ombudsman position

Section 4(a) establishes, within the Division of Real Estate Services of the Bureau of Indian Affairs, the position of “Realty Ombudsman.”

Section 4(b) describes the responsibilities of the Realty Ombudsman including ensuring compliance with deadlines, notice requirements, serving as a liaison to other federal agencies, receiving inquiries, and acting as an intermediary between applicants and the BIA.

COST AND BUDGETARY CONSIDERATIONS

S. 723, Tribal Trust Land Homeownership Act of 2025			
As ordered reported by the Senate Committee on Indian Affairs on March 5, 2025			
By Fiscal Year, Millions of Dollars	2025	2025-2030	2025-2035
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	2	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Statutory pay-as-you-go procedures apply?	No
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

S. 723 would require the Bureau of Indian Affairs (BIA) to process and review mortgage packages involving property located on tribal land held in trust by deadlines specified in the bill. The bill also would establish a position within BIA to serve as an intermediary between the bureau and tribes, tribal members, and lenders.

In addition, the bill would require BIA to provide federal agencies and Indian tribes with access to relevant land documents from the Trust Asset and Accounting Management System. Finally, S. 723 would require the Government Accountability Office (GAO) to report to the Congress about the digitization of documents related to mortgages on tribal land.

Using information from the Department of the Interior, CBO expects the agency would need three employees at an average annual cost of \$125,000 per employee in 2025. On that basis, and accounting for anticipated inflation, CBO estimates it would cost BIA \$2 million over the 2025–2030 period to implement those requirements. Based on the costs of similar activities, CBO estimates that

the cost to GAO to complete the report would not be significant. Any related spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Julia Aman. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

REGULATORY AND PAPERWORK IMPACT STATEMENT

Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires each report accompanying a bill to evaluate the regulatory and paperwork impact that would be incurred in carrying out the bill. The Committee believes that S. 723 will have minimal impact on regulatory or paperwork requirements.

EXECUTIVE TESTIMONY AND COMMUNICATIONS

The testimony provided by the U.S. Department of the Interior from the February 16, 2022, hearing on S. 3381 follows:

STATEMENT OF KATHRYN ISOM-CLAUDE DEPUTY ASSISTANT
SECRETARY FOR POLICY AND DEVELOPMENT FOR INDIAN
AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR

S. 3381—Tribal Trust Land Homeownership Act of 2021

S. 3381 would impose a series of statutory requirements on the Bureau of Indian Affairs (Bureau) related to the processing and review of mortgage packages. This legislation would codify current processing deadlines for mortgages; require an annual report to be submitted to Congress regarding the mortgages reviewed by the Bureau; establish a Realty Ombudsman position reporting directly to the Secretary; and provide access to the Bureau's Trust Asset and Accounting Management System (TAAMS) for relevant agencies and tribes.

We appreciate Congress' shared interest in ensuring that mortgage packages are reviewed and processed in a timely manner. Notably, the mortgage application review and processing deadlines in this legislation are reflected in the Bureau's existing handbooks and policy.

One specific concern the Department has with S. 3381 is that it would mandate read-only access to TAAMS for the Department of Agriculture, Department of Housing and Urban Development, and Department of Veterans Affairs, as well as tribes. The Bureau currently provides limited TAAMS access to tribes and relevant agencies after the clearance of a background check. Access to TAAMS should be contingent on IT security training and limited to avoid Privacy Act issues.

The Department supports the intent of S. 3381 and looks forward to working with the Committee to provide technical assistance.

Conclusion

Chairman Schatz, Vice Chair Murkowski, and Members of the Committee, thank you for the opportunity to provide the Department's views on these important bills. I look forward to answering any questions. . .

REGULATORY AND PAPERWORK IMPACT STATEMENT

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CHANGES IN EXISTING LAW

In the opinion of the Committee, it is necessary to dispense with subsection 12 of rule XXVI of the Standing Rules of the Senate to expedite the business of the Senate.

